



U.S. Department of Transportation  
**Federal Highway Administration**  
FHWA-NC Division

# FHWA-NC Risk Based Oversight of Federal-aid Projects

Bradley Hibbs, PE  
Operations Engineer

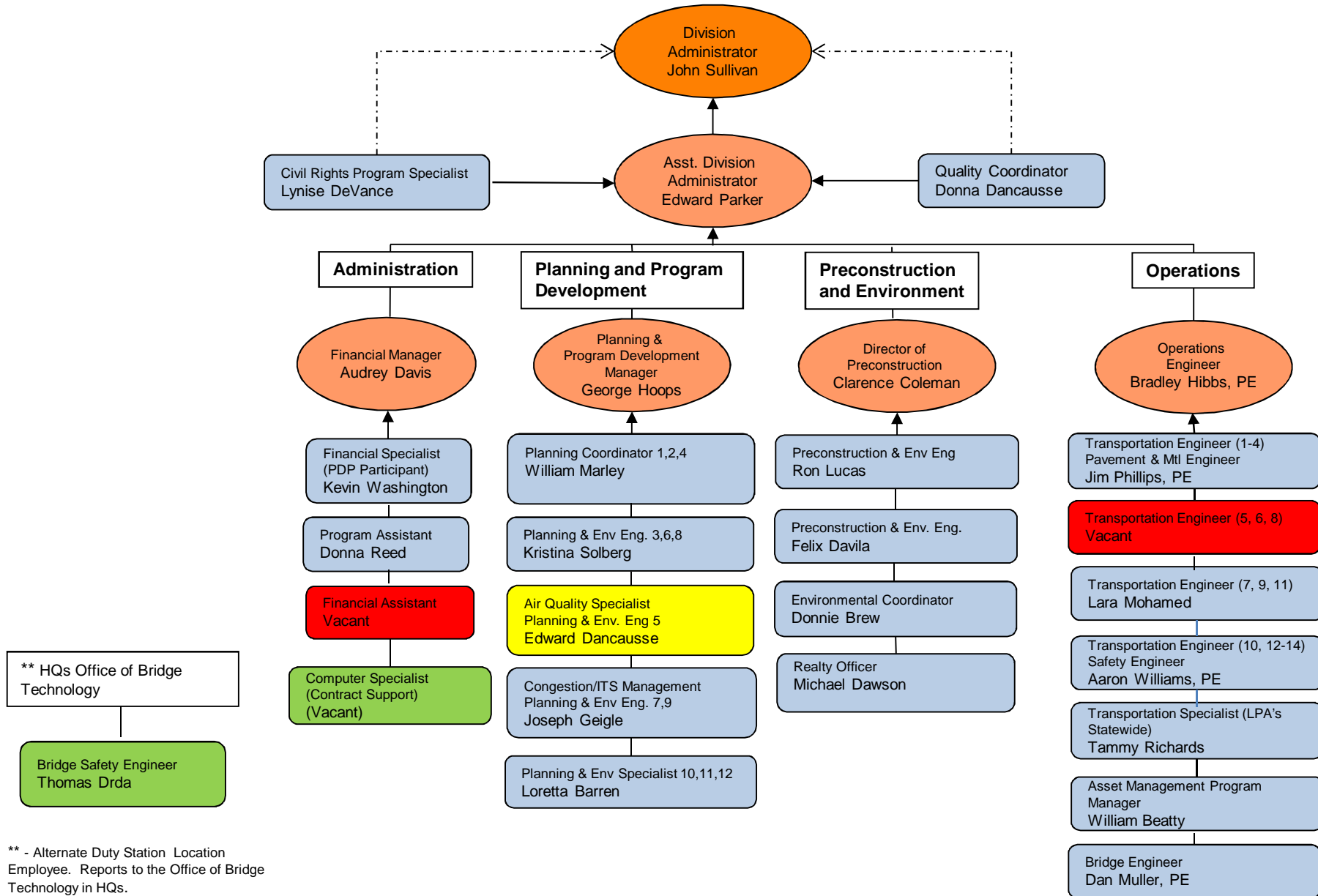


# Quick Topics

- FHWA-NC Division Current Staffing
- 2019 Performance Year Federal-aid Oversight Actions
- Emergency Relief for Hurricanes Florence and Michael
- FHWA Action on Indefinite Delivery/Indefinite Quantity Contracts
- Local Project Oversight by NCDOT

# FHWA North Carolina Division Organization Chart

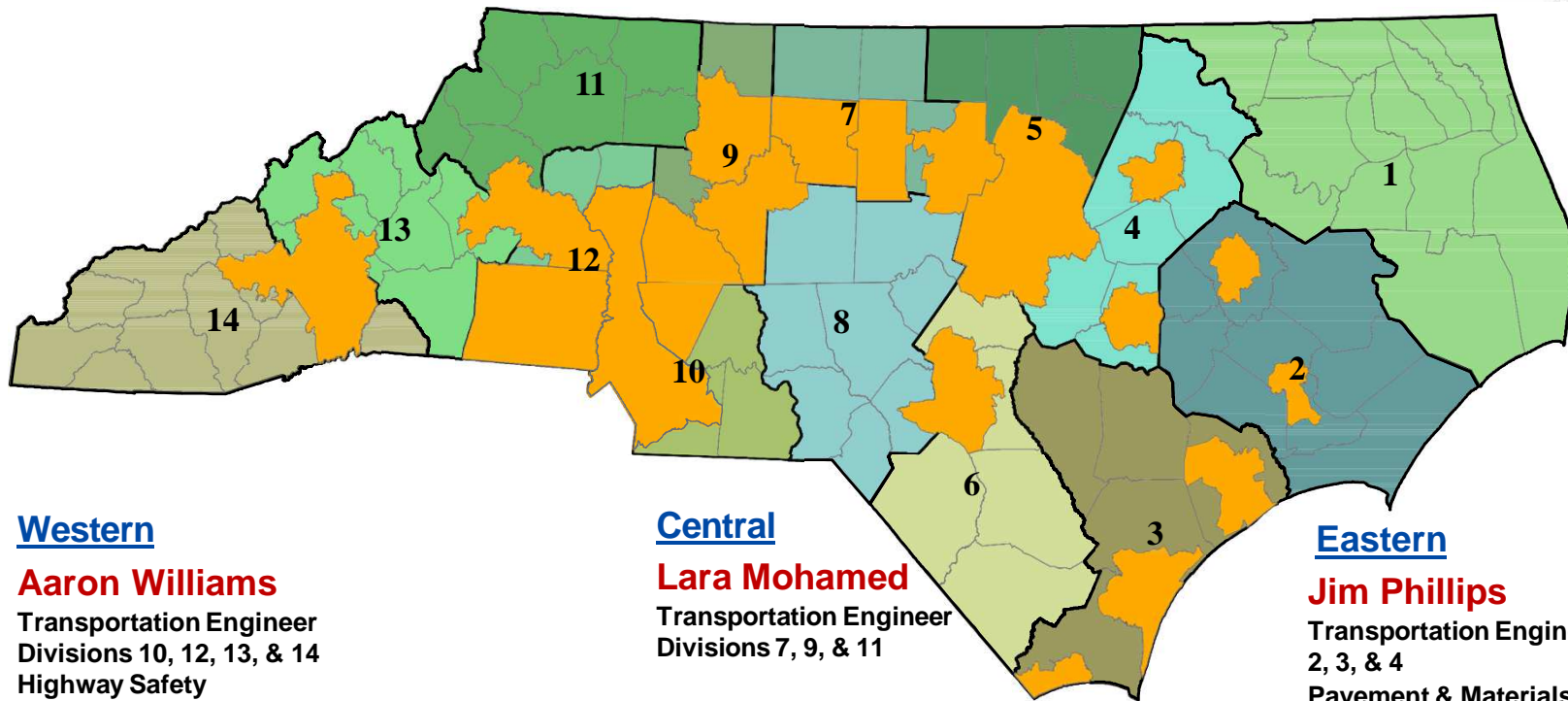
February. 2019



# North Carolina Division, Federal Highway Administration



## Operations Team



### Western

**Aaron Williams**

Transportation Engineer  
Divisions 10, 12, 13, & 14  
Highway Safety

### Central

**Lara Mohamed**

Transportation Engineer  
Divisions 7, 9, & 11

### **Vacant**

Transportation Engineer Divisions 5, 6, & 8  
Major Projects Engineer

### Eastern

**Jim Phillips**

Transportation Engineer 1,  
2, 3, & 4  
Pavement & Materials  
Engineer

### Statewide

**Dan  
Muller**

Bridge  
Engineer

### Statewide

**Tammy Richards**

Locally Administered  
Projects, Ferry Division,  
Recreations Trails

### Statewide

**Will Beatty**

Asset Management  
Emergency Relief

# Risk Based Oversight for Federal-aid

- **Goal:** optimize the successful delivery of programs and projects that comply with Federal requirements
- **Compliance Assessment Program (CAP) Reviews:** Assess a statistically valid sample of projects to inform the FHWA, with an acceptable level of certainty, of the degree of compliance
- **Project of Division Interest (PODI):** Projects that have an elevated risk, contain elements of higher risk, or present a meaningful opportunity for FHWA involvement to enhance meeting program or project objectives
- **Program and Process Reviews**

# 2019 CAP Review for NCDOT

## **56 Randomly Selected Projects**

Division 1: (1 project)

Division 2: (3 projects)

Division 3: (4 projects)

Division 4: (2 projects)

Division 5: (8 projects)

Division 6: (6 projects)

Division 7: (4 projects)

Division 8: (1 project)

Division 9: (4 projects)

Division 10: (8 projects)

Division 11: (2 projects)

Division 12: (2 projects)

Division 13: (8 projects)

Division 14: (2 projects)

Statewide: (1 project)

# 2019 CAP Review Core Questions

- Q1: Do project records document NCDOT verified the eligibility of the prime contractor
- Q2: Form FHWA-1273 present in subcontracts
- Q3: Bids publicly opened and announced
- Q4: Construction awarded by competitive bid
- Q5: Bidding documents free of a requirement for the contractor to obtain a license before submission of a bid or before the bid may be considered for award of a contract

# 2019 CAP Review Core Questions

- Q6: Standardized changed conditions contract clause for differing site conditions included verbatim in the contract
- Q7: Standardized changed conditions contract clause for suspension of work included verbatim in the contract
- Q8: Successful bidder file statement on collusion
- Q9: Non-collusion provision included in bid documents
- Q10: NEPA valid before authorization

# 2019 PODI and Program Reviews

- Current PODI Projects = 14
  - All projects on NC-12
  - TIGER/BUILD/INFRA Grant Projects
  - ADHS Projects
  - All Major Projects (+\$500 Million)
- Program Reviews: Utility Delays, ER Sites
- Federal-aid Project Development Procedure (future training)

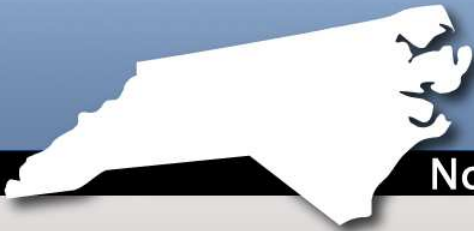
# Emergency Relief Funding: Florence (and Michael)

- Eligible Items
- Ineligible Items
- Emergency Repairs (first 30-days)
- Permanent Repairs (normal contract administration)
- Resilient Repairs vs. Betterments
- Repair site documentation
  - Wage Rates
  - State Representative or Inspector
  - Payment Documentation
  - Record Retention

# FHWA Requirements for ID/IQ Contracting

- ID/IQ = Indefinite Delivery/ Indefinite Quantity
- From 2007 to the present, FHWA has allowed ID/IQ under Special Experimental Project No. 14 (SEP-14) authority
- Federal Register Notice and Request for Comments to operationalize ID/IQ contracts (May 2, 2018)
- Advance Notice of Proposed Rulemaking (June 26, 2018)
- States no longer need to submit an SEP-14 work plan for “low-cost” competitively bid ID/IQ

# LPA Program in NC



North Carolina Division Office

Forest Heritage National Scenic Byway as a North Carolina Scenic Byway

## Why NCDOT has oversight of LPA Projects...

### 23 CFR 635.105(a) & (b)

- (a) The STD has responsibility for the construction of **all** Federal-aid projects, and **is not relieved of such responsibility by authorizing performance of the work by a local public agency** or other Federal agency. The STD shall be responsible for insuring that such projects receive adequate supervision and inspection to insure that projects are completed in conformance with approved plans and specifications.
- (b) Although the STD may employ a consultant to provide construction engineering services, such as inspection or survey work on a project, **the STD shall provide a full-time employed State engineer to be in responsible charge** of the project.



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# LPA Program in NC

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Number of LPA Projects as of 1/2019 - 363 projects  
Obligated (Federal Funds) of LPA Projects as of 1/2019 - \$460,268,894  
Percent of FHWA's budget (\$1B) to NCDOT for one year - 46%

Number of LPA Projects in need of closeout documents - 57 projects

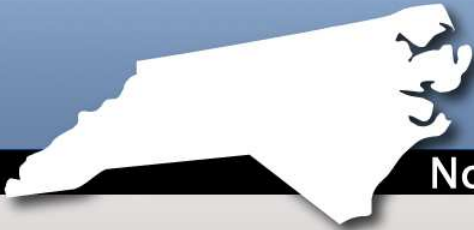
Obligated (Federal Funds) totals of LPA Projects in need  
of \*closeout documents as of 1/2019 - \$137,862,659

\*1446B's submitted to M&T, Commitments cleared in SAP, Close POs in SAP, LGA Worksheet submitted to Earl Jones for any DOT charges that need to be billed to the Municipalities



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# LPA Program in NC



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## What We Are Doing...

- Updating Quarterly LPA Report & sending to Divisions/Units
- Conducting a percentage of Contract Administration in addition to CAP Reviews each year
- Meeting with Divisions to discuss the LPA projects in their area
- Conducting LPA Project Training Workshops across the state with NCDOT, MPO's and Municipalities
- Addressing Project Closeout issues which are affecting Project Delivery timeframes



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# Questions

Bradley Hibbs

919-747-7006

[Bradley.Hibbs@dot.gov](mailto:Bradley.Hibbs@dot.gov)

